

On-Site Systems, Inc.

7638 River Road Pike

Nashville, TN 37209

Office: (615) 356-2880

Fax: (615) 356-7295

RECEIVED

2003 SEP 24 PM 12:56

T.R.A. DOCKET ROOM

September 24, 2003

Mr. Hal Novak, Chief
Energy and Water Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

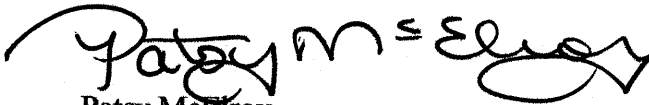
RE: Docket # 03-00286 – Petition to amend Certificate of Convenience
and Necessity - Tims Ford Area - Addition of information which
has become available since the initial petition filing

Dear Mr. Novak:

Attached please find additional information on the above-referenced petition. This
information was inadvertently filed under the wrong docket number (03-00386) on
September 5, 2003. We apologize for any inconvenience this may have caused.

If you have any questions, please give me a call.

Sincerely,



Patsy McElroy
Office Manager

RECEIVED

On-Site Systems, Inc. 2003 SEP -5 PM 1:56
7638 River Road Pike
Nashville, TN 37209 TBA. DOCKET ROOM
Office: (615) 356-2880
Fax: (615) 356-7295

September 4, 2003

Mr. Hal Novak, Chief
Energy and Water Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Docket # 03-00386 – Petition to amend Certificate of Convenience
and Necessity - Tims Ford Area - Addition of information which
has become available since the initial petition filing

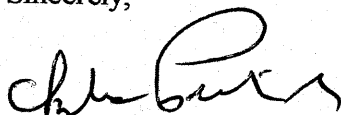
Dear Mr. Novak:

We would like to include with our petition a letter from the County Executive of Franklin County. He is in support of our request to serve the Tims Ford Reservoir basin area as shown on the map of our proposed service area.

In an attempt to address some concerns of the citizens of the Brownington community, where our treatment system will be constructed, the Franklin County Board of Zoning Appeals in conjunction with the Franklin County Planning Commission, has set as one of the conditions of approval, the posting of a performance bond in the amount of \$100,000. (See attached memo) It is expected that a letter of credit will be acceptable form of surety. Based on past procedures, we have modified our proposed tariff rate sheet to reflect the expected pass through costs of the surety (\$1,000 to \$1,500).

If you have any questions, please give me a call.

Sincerely,



Charles Pickney, Jr.
President

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

System	Monthly Charge
Oakwood Subdivision – Maury County	\$35.11
Southridge Subdivision – Montgomery County	\$23.94 + actual costs
Swan Harbor – Roane County	\$35.11
River Road Utility District – Cheatham County	\$31.15
Milcrofton Utility District – Williamson County	\$37.21
Tall Oaks Subdivision – Blount County	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell County	\$35.11
Shreibman Development – Cannon County	\$35.11
Cornerstone of Mitchell Creek – Overton County	\$35.11
Bolton Area – Shelby County	\$32.68
Ussery #1- Sevier County	\$35.11
Harbor Pointe – Dekalb County	\$35.11
Hidden Springs Resort – Sevier County	\$35.11
Eagle Crest Development – Sevier County	\$35.11
Legacy Bay – Hawkins County	\$35.11
Dollywood Project – (Dream Catcher Ridge) - Sevier County	\$35.11
Homestead Subdivision – Sevier County	\$35.11
Rice Property (Blue Water Bay) – DeKalb County	\$35.11
East Stewart – Stewart County	\$30.98 – Lagoon \$35.11 – Sand Gravel Filter
Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

Eagle Springs Subdivision – Sevier County	\$35.11
Jackson Bend Subdivision – Blount County	\$35.11
Browning Subdivision – Knox County	\$35.11
Starr Crest II – Sevier County	\$35.11
City of Coopertown - Robertson County - Lagoon	\$30.98 + 3% Franchise fee
- Sand-Gravel Filter	\$35.11 + 3% Franchise fee
Horseshoe Bend – Bedford County	\$35.11
Eagle Crest II - Sevier County	\$35.11
Gnatty Branch Retreat – Sevier County	\$35.11
Airbase Road Condominiums – Blount County	\$35.11
Goose Creek Area – Lagoon -Williamson County	\$35.50
Sand Gravel Filter	\$40.71
Falling Waters – Sevier County	\$35.11
Stewart County West – Stewart County	\$35.11
Lighthouse Point Condominiums – Jefferson County	\$35.11
The Highlands – Sevier County	\$35.11
Highland Cove – Dekalb County	\$35.11
Tims Ford State Park Area-Franklin County - Lagoon	\$30.98 + bonding costs
Sand Gravel Filter	\$35.11 + bonding costs
Sunnybrook – Robertson County	\$35.11
Smokey Mountain Ridge Resort – Sevier County	\$35.11
Sevier County – Sevier County	Lagoon \$30.98
	Sand Gravel Filter \$35.11
Fees: Nonpayment – 5%, Disconnection - \$10,	
Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

On-Site Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates

System	Monthly Charge
Smoky Cove Subdivision – Sevier County	\$35.11
King Branch Road – Sevier County	\$35.11

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
Sand-Gravel Filter	\$140.00	\$165.00	N/A
Lagoon	\$116.00	\$140.00	N/A
* Off Site	N/A	N/A	Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
 Disconnection - \$10
 Reconnection - \$15
 Returned Check - \$20
 City of Coopertown Franchise Fees: 3%
 Pass through bond costs will be added to above amounts

On-Site Systems, Inc.
Sewer Systems with Commercial Customers

System	County
Townsend Town Square	Blount County
Coopertown	Robertson County
East Stewart	Stewart County
Highway 31 Project (Herndon's BP)	Robertson County
Lyles Texaco	Hickman County
Topside Business Park	Blount County
Stewart County West	Stewart County
Cedar Hill Baptist Church	Robertson County
Tims Ford Area	Franklin County
Sunnybrook	Robertson County
Smokey Mountain Ridge Resort	Sevier County
Sevier County	Sevier County
Smoky Cove Subdivision	Sevier County
King Branch Road	Sevier County

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$140.00	\$165.00	N/A
<u>Lagoon</u>	\$116.00	\$140.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<u>Excess water usage</u>	<u>Surcharge</u>
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
 Disconnection - \$10
 Reconnection - \$15
 Returned Check - \$20
 City of Coopertown Franchise Fees: 3%
 Pass through bond costs will be added to above amounts

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>	<u>Disposal</u>		
	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$170.00	\$192.00	N/A
<u>Lagoon</u>	\$142.00	\$163.00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$94.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

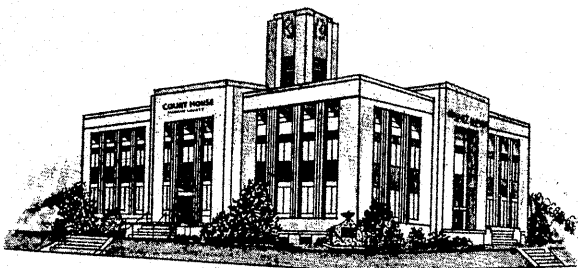
Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

<u>Excess water usage</u>	<u>Surcharge</u>
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20
City of Coopertown Franchise Fees: 3%
Pass through bonding costs will be added to above amounts



FRANKLIN COUNTY TENNESSEE

NO. 1 SOUTH JEFFERSON STREET
COURTHOUSE ROOM 1
WINCHESTER, TENNESSEE 37398
Telephone (931) 967-2905
Fax (931) 962-0194

F. MONTGOMERY ADAMS, JR.
COUNTY EXECUTIVE

August 18, 2003

Charles Pickney, Jr., President
ON-SITE SYSTEMS, INC.
7638 River Road Pike
Nashville, Tennessee 37209

Dear Mr. Pickney:

There is a great need for wastewater collection and treatment in Franklin County around Tims Ford Reservoir. We have attempted to get Winchester Utility System to provide this service for this area, but have been turned away. This area is experiencing significant growth, especially residential, but commercial and service companies as well and the Tims Ford State Park itself.

With all this development and the need to protect the water quality of our great reservoir, Franklin County needs wastewater collection treatment service in the Tims Ford Reservoir basin area. Hopefully, ON-SITE SYSTEMS, INC. will be able to assist us with this utility service.

Sincerely,

Monty Adams
Franklin County Executive

MA/jb

Franklin County Planning and Zoning Dept.

Memo

8/25/03

To: Ben Lynch, County Attorney

From: Travis M. Hawkins, Chairman - Franklin County Board of Zoning Appeals

Re: ~~Pickney~~ (On-Site Systems, Inc.), Board of Zoning Appeals Case No. 03-17, "Performance Bond"

As you are aware, one of the conditions of approval set forth by the Board of Zoning Appeals for the establishment of a decentralized wastewater treatment facility in northwestern Franklin County was to post a "Performance Bond". The BOZA's Chairman Travis M. Hawkins, Sr. with the concurrence of its Board Members on August 21, 2003 suggest a surety in the amount of \$100,000 be posted. It is requested that you review the forthcoming surety from Pickney Brothers, Inc. or On-Site Systems, Inc. that will act as a "Performance Bond."

The BOZA will as a minimum review this Case (#03-17) annually under its old business in order to insure that conditions as set forth are being met as intended. The review will begin one year from the date of the issuance of the letter of final compliance from the FC Planning/Zoning Department.

Should distribution of the "Bond" become necessary it is intended that its distribution be used for the remediation of any problem that has adversely affected a resident of Franklin County.

If at some reasonable and future date the performance of the "system" is such that a review and/or bond is deemed unnecessary it may be dropped at the recommendation and with the full majority concurrence of the BOZA.

Your assistance in this matter is greatly appreciated.